

# Department of Administrative Services - State Accounting Enterprise

PAYMENT POLICIES – TAXES –230.150- PG 4 of 13  
2005

Pg. Revised January 24,

Michael Ralston  
Director



## IOWA DEPARTMENT OF REVENUE

Hoover State Office Building

Des Moines, Iowa 50319

Telephone: (515) 281-3204 • [www.state.ia.us/tax](http://www.state.ia.us/tax)

October 22, 2004

Calvin McKelvogue, Chief Operating Officer  
State Accounting Enterprise  
Department of Administrative Services  
Hoover State Office Building  
Des Moines, IA 50319

Dear Calvin:

In response to a request, I am providing this letter to verify that purchases of tangible personal property and services by the State of Iowa for public purposes and all sales of goods, wares, or merchandise and services sold to and used by the State of Iowa for public purposes are exempt from the state sales and use taxes under Section 422.45(5) of the Iowa Code. This exemption is also granted to governmental subdivisions of the state, including the State Board of Regents, Department of Human Services, Department of Transportation, and state owned public utility which sells all or part of its processed waste as fuel to a municipally owned public utility, and all divisions, boards, commissions, agencies, or instrumentalities of the state. Purchases by the State of Iowa which are used on or in connection with any municipally owned public utility engaged in selling, such as electricity or heat to the general public, do not qualify for exemption and would be subject to sales tax.

The Iowa Department of Revenue does not issue or assign tax exemption numbers to entities or organizations which are exempted from paying the state sales or use tax. However, you may reproduce this letter in support of your sales and use tax exemption. If a vendor will not accept this letter, you may ask them to contact Taxpayer Services at (515) 281-3114 to answer any questions they might have. Please let me know if I can be of further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald R. Cooper".

Donald R. Cooper, Administrator  
Compliance Division

DRC:ds